

**MULTISTATE TAX COMMISSION**

**Resolution No. 00-1**

**Resolution Supporting the Principles Embodied in S. 2775, the  
“Internet Simplification and Equity Act” Introduced by Senator  
Byron Dorgan (D-ND)**

**WHEREAS**, the three-year tax moratorium imposed by the Internet Tax Freedom Act of 1998 has provided time to conduct congressional and other studies concerning federal, state and local taxation of the Internet and Internet-based transactions; and

**WHEREAS**, the majority of these studies, including that commissioned by Congress, have been completed; and

**WHEREAS**, numerous pieces of legislation have been introduced in the 106<sup>th</sup> Congress that provide, to extend the current moratorium, make the current moratorium permanent, extend federal protection to Internet sellers, other remote sellers and/or other brick-and-mortar sellers of similar goods and services from State and local sales and use tax, and/or business activity taxes; and

**WHEREAS**, some of the legislation introduced changes the current nexus standards laid down by the U.S. Supreme Court for sales/use tax collection in *Quill v. North Dakota*; and

**WHEREAS**, the States are working diligently to simplify the sales tax system among the States through a project called the Streamlined Sales Tax System for the 21<sup>st</sup> Century; and

**WHEREAS**, Senator Byron Dorgan (D-ND), with the bi-partisan support of ten Senate colleagues, has introduced S. 2775, the “Internet Simplification and Equity Act”, which extends the current moratorium until December 31, 2005, retains current nexus standards for state sales and use tax collection, and further encourages the development of, and provides a mechanism for implementing the streamlined sales tax system in the States; now, therefore, be it

**RESOLVED**, that the Multistate Tax Commission extends its sincere appreciation to Senator Dorgan and his staff for their support of the Streamlined Sales Tax System for the 21<sup>st</sup> Century and for their efforts to bring this alternative legislation into the debate over State and local tax authority over electronic commercial activities; and be it further

**RESOLVED**, that the Commission declare its support for the principles articulated in S. 2775 and work to ensure its passage.

Adopted this 28<sup>th</sup> day of July, 2000 by the Multistate Tax Commission.